AMENDED IN ASSEMBLY JUNE 2, 2003 AMENDED IN ASSEMBLY APRIL 21, 2003 AMENDED IN ASSEMBLY MARCH 17, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 107

Introduced by Assembly Member Corbett

January 10, 2003

An act to add Sections 79522 and 79522.5 to the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 107, as amended, Corbett. Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election, authorizes for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000. Under the act, the bond funds made available by the act are deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, which is created by the act. *Under the act, the sum of* \$50,000,000 is available for appropriation by the Legislature from the fund for the purpose of protecting state, local, and regional drinking water systems from terrorist attack or deliberate acts of destruction or degradation.

This bill would require that the funds made available for these purposes are to be appropriated to the Department of Water Resources **AB 107 - 2 —**

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for project grants. The bill would require the department to develop project solicitation and evaluation guidelines for awarding the grants, in consultation with the State Department of Health Services and the California Office of Homeland Security, and would prescribe priorities and criteria for evaluating grant proposals.

This bill would require the Secretary of the Resources Agency to make certain findings related to those grants in years 2004, 2005, and 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares the 2 following:
- 3 (a) The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Division 26.5 (commencing with Section 79500) of the Water Code) was enacted through the voters' 5 approval of Proposition 50 at the statewide general election on 6 November 5, 2002.
- (b) That act requires the Legislature to appropriate funds provided by the act for, among other things, the purposes of 10 improving water system security, enhancing water supply reliability, and interconnecting water system distribution infrastructure.
 - (c) It is the policy of the State of California, as well as the CALFED Bay-Delta Program, to actively support regional planning to improve water quality and water supply reliability through study and implementation of various water management measures. These measures include conservation, water recycling, conjunctive use, groundwater management, use of alternative water sources, water storage, and constructing new facilities to interconnect the various water systems.
 - (d) Regionally-developed water projects require collaboration across the jurisdictional boundaries of multiple water agencies for the collective benefit of a broad cross-segment of the region's population and should be promoted in order to achieve economies of scale and maximize the efficient use of resources.
 - (e) Specific water projects and proposals have emerged within various regions of the state that are consistent with CALFED's

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integrated planning approach, and would protect those regions during emergency situations and improve the reliability of water service for residents and businesses.

- (f) Many of these projects and proposals represent unique partnership efforts among multiple water agencies to collectively improve the region's water supply, reliability, security, and drinking water quality, without constructing new dams, by ensuring that individual communities will be able to rely on the infrastructure and water supplies of more than one of the region's water systems. These projects that cross water agency jurisdictional boundaries cannot be implemented expeditiously without financial assistance.
- (g) The reliability of water agency infrastructure systems is of vital importance to the health, welfare, safety, and economy of the various regions and the state, as it is critical to resident industries, universities, and commercial enterprises that employ millions of Californians and generate billions of dollars in exports and tax revenues.
- (h) The state has concerns for the safety, health, and the economic strength of the various regions that warrant taking prudent steps and timely actions to safeguard and improve water reliability for all Californians dependent on the integrity of a particular region's water systems.
- (i) In order to expeditiously implement interagency projects that will improve water supply reliability, water system security, and drinking water quality, it is necessary for the Legislature to appropriate moneys from Proposition 50 to fund a variety of unique regional partnership projects.
- SEC. 2. Section 79522 is added to the Water Code, to read: 79522. (a) Funds made available pursuant to Section 79520 are to be appropriated to the Department of Water Resources for grants for projects that carry out the purposes set forth in Section 79520.
- (b) The department, in consultation with the State Department of Health Services and the California Office of Homeland Security, shall develop project solicitation and evaluation guidelines for awarding grants.
- (c) The project solicitation and evaluation guidelines shall provide for a structure and process for developing project funding priorities, and criteria for evaluating grant proposals. Those

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funding priorities and criteria shall include, but not be limited to, the following components:

- (1) Projects that produce the greatest public benefit for the least cost. Public benefits to be considered shall include, but not be limited to, increased reliability of water supply and improvements to drinking water quality. least cost.
- (2) Projects that help to achieve regional equity in the distribution of grant funds.
- (3) Projects that are consistent with any regionally-based water resources management plan that has been developed through a public process, including, but not limited to, projects that have emerged as a result of collaborative efforts within regions by counties, eities, and special districts to provide regional project prioritization. through a public process.
- SEC. 3. Section 79522.5 is added to the Water Code, to read: 79522.5. On June 30 in years 2004, 2005, and 2006, the Secretary of the Resources Agency shall do one of the following:
- (a) Make a finding that the projects that are awarded grants pursuant to Section 79522 have met the criteria identified in subdivision (c) of Section 79522.
- (b) Make a finding that those projects *described in subdivision* (a) have not met those criteria, and submit to the Governor a plan to meet those criteria for the following year.